"IMPACT OF PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY) ON AGRICULTURE: A STUDY OF RAINFED AREA IN KARNATAKA"

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By

Miss. Jayashree Badakappanavar V

(Reg.No.PHEC2101)

Research Guide

Dr. R. V. Gangshetty

Associate Professor

Department of Economics

KSAWU, Vijayapura

Department of Post Graduate Studies and Research in Economics

Karnataka StateAkkamahadevi Women's University,

Vijayapura-586108

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I. INTRODUCTION:

India is a land of farmers where the maximum proportion of rural population depends on agriculture. Agriculture sector is the backbone of Indian economy. Being an agricultural dependent economy, there are immense opportunities in agricultural/rural insurance in India. The new areas like weather insurance, rainfall insurance and cyclone insurance give scope even for new private insurers companies. Agriculture in India is highly susceptible to risks like droughts and floods. It is necessary to protect the farmers from natural calamities and ensure their credit eligibility for the next season. For this purpose, the Government of India launched many agricultural schemes throughout the country.

Evolution of Crop Insurance in India:

The agriculture sector is subjected to many risks and faces manifold problems such as rainfall irregularity, temperature fluctuations, snowfall, storm, flood, drought, cropfailure, non-remunerative prices for crops, poor yield, poor return, etc. The farmers are vulnerable to these agriculture risks as these not only jeopardize the farmer's livelihood and incomes but also destabilize the agriculture sector, Thus, the management of risk in agriculture is one of the major concern for solving the problem of poverty among the farmers. In order to mitigate these risks, the Government of India (GOI) has made various efforts such as introduction of crop insurance scheme soon after the Independence in 1947. According to Agriculture Insurance Company of India (AIC), 2008 "Agricultural insurance is a means of protecting the agriculture against financial losses due to uncertainties that may arise agricultural losses arising from named or all unforeseen perils beyond their control". There are two major categories of agricultural insurance viz. single-peril coverage which offers protection from single hazard and multi-peril coverage which provides protection from several hazards. In February 2016, the Prime Minister of India launched a replaced scheme of NAIS named The Pradhan Mantri Fasal Bima Yojana (PMFBY). PMFBY is one of the major management strategies to mitigate agriculture risk to greater extend and is regarded as an essential part of well-established different agriculture programmes designed to provide protection to farmers against physical crop failures due to weather and other unavoidable natural hazards. For the present study will be on PMFBY scheme.

Pradhan Mantri Fasal Bima Yojana (PMFBY):

The PMFBY is a new crop insurance scheme that improved upon its predecessors making it easier for the farmers to avail crop insurance and enhance coverage. This scheme operates on an "area approach" basis. Thus, all farmers belongs to a particular area must pay the same premium and have the same claim payments. The area approach reduces the risk of moral hazard and adverse selection. Under this scheme, horticultural crops, commercial crops, Rabi crops and Kharif crops are considered eligible for insurance but at different rates. Those are

Season	Crops	Maximum Premium Payable Farmer (% of Sum Insured)
Kharif	All food grain Oilseeds crops (all Cerels, Millets, Pulses and Oilseeds crops)	2.0% of SI or Actuarial rate, whichever is less
Rabi	All food grain Oilseeds crops (all Cerels, Millets, Pulses and Oilseeds crops)	1.5% of SI or Actuarial rate, whichever is less
Kharif and Rabi	Annual Commercial/ Annual Horticultural crops	5% of SI or Actuarial rate, whichever is less

Rain fed Agriculture in India:

Rain fed areas means those where irrigation is less than or equal to 30% of the net sown area, and irrigated areas are those with extent of irrigation exceeding 30% (National Rain fed Area Authority, 2012)

Rain fed agriculture occupies about 51 percent of country's net sown area and accounts for nearly 40 percent of the total food production. Rain fed agriculture is complex, highly diverse and risk prone. It is characterized by low levels of productivity and input usage coupled with vagaries of monsoon emanating from climate change; resulting in wide variation and instability in crop yields. In view of the growing demand for food grains in the country, there is a need to develop and enhance the productivity of rain fed areas. If managed properly, these areas have tremendous potential to contribute a larger share in food production and faster agricultural growth compared to the irrigated areas which have reached a plateau.

II. REVIEW OF LITERATURE:

Ruchbah Rai (2019) "Pradhan Mantri Fasal Bima Yojna: An Assessment of India's Crop Insurance Scheme", according to the researcher he has to find out the PMFBY is a most needed scheme of farmers. This scheme has various issues in its implementation at the state and district level. The researcher has indicated problems in the financial issues as well as the structure of the

PMFBY scheme. This study gave some recommendations to include a raise in funds for rural infrastructure development and the use of information technology in the implementation of the scheme and ensure compliance with the scheme with regard to claim settlement to ensure sufficient and appropriate compensation to farmers.

Ranganath Santosh N. (2019) "Performance Evaluation Pradhan Mantri Fasal Bima Yojana-A Field survey", He had conducted a field survey and noticed that the PMFBY is one of the World's largest agricultural Insurance schemes. It provides risk coverage to farmers of India from the production vulnerabilities and Farmers pay a very low premium amount. This field survey noticed that the farming community of village people couldn't have any awareness of PMFBY so government and scheme- related agencies must create awareness and importance of the scheme in the rural areas before the implementation of the scheme.

Shivangi Sharma (2021) "A Critical Appraisal of Pradhan Mantri Fasal Bima Yojana", She has been mentioned in this article, India's nearly 24 million populations have no available nutritional food. Because of various regional disparities are there in India. Example: natural calamities, manmade activities, animal attacks, pest attacks, viruses, etc. for this reason the World's all Governments have a concept called 'Group Insurance'. Therefore our Indian government was started the most ambitious program in 2016 named Pradhan Mantri Fasal Bima Yojana (PMFBY). She has completed a study about the PMFBY scheme and finds out many things. The PMFBY is the recent important scheme with most of the premium 95 percent to 98.5 percent paid by the Government of India. Last five years data shows that only 35% of farmers have already taken loans, 80 percent were those who had taken loans from banks or government agencies.

III. STATEMENT OF THE PROBLEM:

In Indian Economy more than 60% of population is mainly depending on agriculture, but one of the important factors that distinguish agriculture from other sector of the Economy is concerned with the role of played by nature in agriculture, and all small farmers will not able to getting irrigation facilities and they are depending on nature, therefore all farmers will not get the crops. In this case the central government provided the scheme because of crop failure. That Scheme is Pradhan Mantri Fsal Bima Yojana. And the main important in this scheme how much extent to the "IMPACT OF PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY) ON AGRICULTURE: A STUDY OF RAINFED AREA IN KARNATAKA"

IV. SIGNIFICANCE OF THE STUDY:

The present study chosen for research as an "Impact of Pradhan Mantri Fasal Bima Yojana (PMFBY) on Agriculture: A Study of Rainfed Area in Karnataka". In Indian Agriculture there is a proverb that "Agriculture is backbone of our county" because of India is mainly depending on agriculture and having more than 6lakh villages. Most of the villages are depended on agriculture.

The main reason of this study is enable the Impact of Pradhan Mantri Fasal Bima Yojana (PMFBY) on Agriculture and complete awareness about the study and another thing of this study is a large number of farmer's suicides in various parts of country are perhaps the most distressing phenomenon observed in India.

Impact of PMFBY on Agriculture in this scheme National and State level so many studies has been conducted but there are no more studies done in Rainfed area in North-Karnataka District. hence the present study intensive focus on impact of PMFBY on Agriculture: A Study of Rainfed area in Karnataka.

V. OBJECTIVES OF THE STUDY:

Following are the major objectives of the present study:

1) To know the Concept of Agricultural Crop Insurance in India.
2) To study the evaluation of the Pradhan Mantri Fasal Bima Yojana.
3) To examine the present status of the PMFBY scheme in the study area.
4) To understand problems faced by farmers in the implementation ofPMFBY.
5) To study the impact of PMFBY scheme on agriculture in the study area.
6) To suggest remedial measures to the effective implementation of PMFBY.

VI. HYPOTHESIS:

1) PMFBY insurance scheme is providing sufficient financial support to farmers.
2) All the farmers are aware of the PMFBY Scheme.

VII. RESEARCH METHODOLOGY:

The present research work is the following methodology is adopted.

1) SELECTION OF THE AREA:

The researcher has choosen the Vijayapura District For the purpose of present research work. In This district Researcher has Selected only Rainfed areas.

2) Source of data:

For the present research work will be based on primary as well as secondary sources used to analyze the "Impact of Pradhan Mantri Fasal Bima Yojana (PMFBY) on Agriculture: A study of Rainfed area in Karnataka". The primary data will be collected from survey method with suitable interview schedule and questionnaire method.

The secondary data will be collected from various books, journals, concerned office and department; agriculture related magazine, census report and Study area related magazine, surveys and related web sites etc…

3) Sample size:

The Vijayapura District rainfed areas are chosen for this study because they are beneficiaries under the PMFBY Scheme. A simple sampling procedure will be used to select the not less than 50 targeted respondents from each selected research areas for the field survey.

4) Analysis of data:

Data will be collected through the suitable questionnaires is tabulated and analyzed the using simple statistical tools such as percentage and other appropriate tools may used for the data analysis of present study. Beneficiaries were selected from different categories on the basis of simple random sampling method of the selected research area.

VIII. LIMITATIONS OF THE STUDY:

The following are some of the limitations of the study.

1) Present study is limited to only Impact of PMFBY Scheme on Agriculture.
2) Study is restricted to the selected rainfed areas only.
3) Study is restricted to the beneficiaries Farmers under the PMFBY scheme.

IX. CHAPTER SCHEME:

The study is presented in six chapters. The chapters are designed as follows.

CHAPTER – I : Research Design
CHAPTER – II : Review of Literature
CHAPTER – III : Crop Insurance in India and Karnataka
CHAPTER – IV : Profile of the study area.
CHAPTER – V : Data Analysis and Interpretation
CHAPTER– VI : Findings, Suggestions and Conclusion

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